

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

FIRST APPEAL No 5386 of 1999

Hon'ble MR.JUSTICE Y.B.BHATT

and

Hon'ble MR.JUSTICE H.H.MEHTA

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1. Whether Reporters of Local Papers may be allowed : YES
to see the judgements?
 2. To be referred to the Reporter or not? : NO
 3. Whether Their Lordships wish to see the fair copy : NO
of the judgement?
 4. Whether this case involves a substantial question : NO
of law as to the interpretation of the Constitution
of India, 1950 of any Order made thereunder?
 5. Whether it is to be circulated to the Civil Judge? : NO

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GSRTC

Versus

HEMLATABEN NAVINCHANDRA SADHU

Appearance:

MR HS MUNSHAW for Appellant

MR KETAN D SHAH for Respondent No. 1-4

CORAM : MR.JUSTICE Y.B.BHATT

and

MR.JUSTICE H.H.MEHTA

Date of decision: 28/08/2001

ORAL JUDGEMENT

1. Heard the learned counsel for the appellant and learned counsel for respondent nos.1 to 4-original claimants. Appeal admitted. Mr. Ketan D. Shah waives service of notice in the appeal on behalf of respondent nos.1-4 original claimants.

2. Heard the learned counsel for the aforesaid parties. This is an appeal under section 173 of the Motor Vehicles Act, 1988 at the instance of the Gujarat State Road Transport Corporation, being the owner of the vehicle involved in the accident, which led to the claim being filed by the respondent nos.1 to 4 by way of an application under section 166 of the said Act.

3. The Motor Accident Claims Tribunal, after raising appropriate issues in the light of the pleadings of the parties, and after recording appropriate evidence, delivered the impugned award under section 168 of the said Act and awarded an aggregate compensation to the claimants in the sum of Rs.5,06,000/-, with proportionate costs and interest at the rate of 15% per annum from the date of the application till realisation.

4. The only contention raised in the present appeal is as regards the rate of interest awarded by the Tribunal to the claimants.

5. There is no serious controversy that the flat rate of interest awarded by the Tribunal at the rate of 15% per annum is excessive. This aspect has been dealt with by a Division Bench of this Court (to which one of us was a party) in the case of Manoj R. Gadhvi Vs. Balubhai K. Vaghasia & Ors, reported in 2000(1) GLH page 440 (=2000(3) GLR 1985).

6. In the aforesaid decision the earlier Bench has considered various aspects of the matter including the earlier decisions of this court, and held that interest at the rate of 15% per annum on the amount of compensation awarded would be justified upto 30th June 1997 (from the date of the claim), and the interest for the subsequent period at the rate of 12% per annum on the amount of the award upto realisation would be reasonable and appropriate. Learned counsel for the respondents original claimants does not contest this principle laid down in the said decision.

7. Accordingly the present appeal is partly allowed, and the impugned award is modified only to the extent

that the original claimants would be entitled to compensation as determined under the impugned award, but the interest thereon would accrue at the rate of 15% per annum from the date of the claim petition upto 30th June 1997, and at the rate of 12% per annum after the said date upto the date of realisation. It is clarified that the impugned award is modified only to the aforesaid extent.

8. This appeal is, therefore, partly allowed with no order as to costs. Decree accordingly.

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